

IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF ILLINOIS

UNITED STATES OF AMERICA,	)	
	)	
Plaintiff,	)	
	)	CRIMINAL NO.
vs.	)	
	)	Title 18,
SCOTT MAURICE ROSE,	)	United States Code,
	)	Sections 1341, and 2.
Defendant.	)	

**INFORMATION**

**THE UNITED STATES ATTORNEY CHARGES:**

**MAIL FRAUD**

**A. INTRODUCTION**

At all times relevant to the Information:

1. Jewish World News, Inc. (hereinafter referred to as "Jewish World News") was an Illinois corporation purportedly engaged in the business of printing and distributing a monthly newspaper known as The Jewish World, and, at a later date, The Jewish World Review (hereinafter collectively referred to as "the newspaper"). Jewish World News' principal place of business was #1 Woodland Court, Fairview Heights, Illinois 62208. On or about October 1, 1994, the corporate status of Jewish World News was dissolved upon order of the Secretary of State for the State of Illinois and, thereafter, Jewish World News operated as a sole proprietorship.
2. The defendant, **SCOTT MAURICE ROSE**, was the owner, president, and sole proprietor of Jewish World News. **SCOTT MAURICE ROSE** resided at 9098 Bunkum Road, Fairview Heights, Illinois 62208.

3. From time to time the defendant, **SCOTT MAURICE ROSE**, employed numerous individuals at Jewish World News in various positions, including advertisement solicitation and bookkeeping.

**B. SCHEME TO DEFRAUD**

4. Beginning in or about and between May, 1991, and continuing through at least February, 2000, both dates being approximate and inclusive, within St. Clair County in the Southern District of Illinois and elsewhere, defendant **SCOTT MAURICE ROSE**, devised, intended to devise, and knowingly participated in a scheme to defraud and obtain money from businesses and merchants, through the sale of advertisements in Jewish World News' purported newspapers, in an amount in excess of \$2,500,000.00, by means of materially false and fraudulent pretenses, representations, and promises.

5. It was a part of the scheme that defendant **SCOTT MAURICE ROSE** employed numerous individuals, including several family members, as telephone solicitors at the Jewish World News Fairview Heights, Illinois office. It was a further part of the scheme that defendant **SCOTT MAURICE ROSE** provided these telephone solicitors with sales scripts, prepared at the direction of defendant **SCOTT MAURICE ROSE**, to be used when soliciting businesses and merchants to place advertisements in the newspaper. These sales scripts included numerous false representations, including the representation that the solicited business or merchant had been referred to Jewish World News by a purported reader of the newspaper through a VIP referral section included within the newspaper. These sales scripts also falsely represented that the newspaper had a readership of approximately 45,000 people in the geographic region where the

particular business or merchant was located, while serving from 14,000 to more than 27,000 Jewish families throughout that same geographic region.

6. It was a further part of the scheme that, with the knowledge and approval of defendant **SCOTT MAURICE ROSE**, several of the Jewish World News' telephone solicitors utilized false names when soliciting businesses and merchants to place advertisements in the newspaper. For example, defendant's brother, Dale Lyon, utilized the name Dale Horowitz, and employee Ty Parker utilized the name Fred Rosenberg.

7. It was a further part of the scheme that the telephone solicitors employed by defendant **SCOTT MAURICE ROSE** at Jewish World News, including defendant's family members, falsely represented to businesses and merchants who were being solicited to place advertisements in the newspaper that the newspaper had monthly subscription numbers ranging from 45,000 to 348,000. Defendant **SCOTT MAURICE ROSE** was aware of his employees' false representations in this regard as a result of providing his employees with sales scripts containing this information, as well as his monitoring of the employees' telephone solicitation calls and his periodic review of tape recordings of his employees' telephone solicitation calls.

8. It was a further part of the scheme that defendant's employees at Jewish World News obtained their telephone solicitation leads from regional telephone books and advertisements placed by businesses and merchants in legitimate publications, such as B'Nai Brith Today, the St. Louis Jewish Light, and other regional and local newspapers obtained by defendant **SCOTT MAURICE ROSE**. At the direction of defendant **SCOTT MAURICE ROSE**, his employees falsely represented to the solicited businesses and merchants that the particular business or

merchant had been referred to Jewish World News by a purported reader of the newspaper, and that only referred businesses and merchants were solicited to advertise in the newspaper.

9. It was a further part of the scheme that the telephone solicitors employed by defendant **SCOTT MAURICE ROSE** at Jewish World News were paid solely a commission based upon the total weekly dollar amount of advertisements he or she sold in order to provide them incentive to maximize their advertisement sales. Additionally, each of the telephone solicitors employed by defendant **SCOTT MAURICE ROSE** were given wide discretion by him as to the amount he or she could charge a solicited business or merchant for an advertisement under an operating theory that they should "get what they can". Similar size advertisements in any one particular issue of the newspaper ranged in price from \$150.00 to more than \$500.00.

10. It was a further part of the scheme that defendant **SCOTT MAURICE ROSE** directed that confirmation letters and invoices be sent through the United States mails to solicited businesses and merchants over the signatures of fictitious employees, to-wit: David Steinberg and Roger Cohen.

11. It was a further part of the scheme that, when efforts to collect advertising fees from solicited businesses and merchants proved unsuccessful, defendant **SCOTT MAURICE ROSE** directed that collection letters be sent through the United States mails to the solicited businesses and merchants on letterhead containing the false and fictitious firm, Rosenblatt, Horowitz, & Goldman.

12. It was a further part of the scheme that defendant **SCOTT MAURICE ROSE** contracted with legitimate newspaper publishers in the Southern Illinois region, including the Edwardsville, Illinois Intelligencer and the Breese, Illinois Journal, for the printing of a limited

number of copies of the newspaper. Defendant directed his employees to lay out the newspaper using articles obtained from various non-original sources, including the Jewish Telegraphic Agency, and the Jerusalem Post, among others. The newspaper contained minimal original content. The newspaper contained the advertisements solicited through the false representations of defendant and defendant's employees from businesses and merchants located throughout the United States of America. As a further part of the scheme, defendant **SCOTT MAURICE ROSE** ordered only a sufficient number of copies of the newspaper to provide tear sheets to advertisers and, from time to time, minimal additional distribution to certain Jewish synagogues and retail outlets. Beginning during on or about May, 1998 and continuing until on or about February, 2000, defendant **SCOTT MAURICE ROSE** ordered and received only from 400 to 500 monthly copies of the newspaper, despite false representations that the newspaper was distributed to from 45,000 to 348,000 subscribers monthly. In fact, defendant **SCOTT MAURICE ROSE** well knew that the newspaper never had any paid subscribers.

13. It was a further part of the scheme that defendant **SCOTT MAURICE ROSE** directed his employees to send through the United States mails tear sheets to each of the advertising businesses and merchants in order to lull them into believing that the newspaper was legitimate and was being distributed to thousands of readers throughout the United States of America as had been falsely represented to each business and merchant. A tear sheet simply

consisted of the particular page of the newspaper which contained the advertisement for the business or merchant.

14. It was a further part of the scheme that, from time to time, defendant **SCOTT MAURICE ROSE** would be questioned by one or more of his employees who were not fully aware of his scheme as to how the newspaper was distributed. Defendant **SCOTT MAURICE ROSE**, in order to lull these employees, would falsely advise and/or confirm that the newspaper was distributed by the Breese, Illinois Journal, which he well knew was false.

15. It was a further part of the scheme that defendant **SCOTT MAURICE ROSE** personally handled the receipt of all moneys and funds sent to the Jewish World News by businesses and merchants which placed advertisements with the Jewish World News based upon the false representations made to them by defendant and his employees. Defendant **SCOTT MAURICE ROSE** used these moneys and funds for personal uses, and to pay his hourly and commissioned employees. From time to time Jewish World News received merchandise in trade from businesses and merchants in exchange for advertising in Jewish World News' purported newspapers. Defendant **SCOTT MAURICE ROSE** used this merchandise for personal purposes.

#### C. THE MAILING

16. On or about December 21, 1999, within St. Clair County in the Southern District of Illinois, the defendant **SCOTT MAURICE ROSE**, for the purpose of executing the foregoing

scheme, knowingly mailed, or caused to be mailed, through the United States mails, matter in the form of an invoice and an advertising tear sheet to a solicited advertiser, to-wit: Central West End Bank of St. Louis, Missouri, as set forth below:

<u>DATE</u>	<u>FROM</u>	<u>TO</u>
December 21, 1999	Jewish World Review #1 Woodland Court Fairview Heights, Illinois 62208	Central West End Bank 415 Debaliviere St. Louis, Missouri 63112

All in violation of Title 18, United States Code, Sections 1341 and 2.

DATED this \_\_\_\_\_ day of August, 2000.

UNITED STATES OF AMERICA

W. CHARLES GRACE  
United States Attorney

MICHAEL C. CARR  
Chief, Criminal Division and  
Assistant United States Attorney

HAL GOLDSMITH  
Assistant United States Attorney

Recommended Bond: \$100,000 OR